

GOSSIP OF THE STREET

The expressions of opinion heard in the financial district at the close of last week were the same as those that have been heard steadily for weeks past, consisting almost wholly of forecasts of favorable development and predictions of coming declines. These statements were heard in various circles, ranging from the privilege brokers to leading members of the stock exchange and practically all the trading element seemed disposed to take a position on the bear side, regarding the future of the market as they have been constantly, day after day, for a long time past.

There is continued discussion of the railroad situation and it is thought by many that the statements made by General Atterbury would have an influence not only on trading in railroad securities but on the new financing which many companies have in prospect. The steel corporation statement of unfulfilled orders to be issued next Thursday is expected to have a bearing on the many bearish influences which have been incentive for putting out short lines of stocks since the covering occurred about the middle of last month.

The market, however, has been accustomed to these attacks and there are some who comment on the fact that while the bear element is easily successful in forcing declines at frequent intervals, but on the new financing which many companies have in prospect, the steel corporation statement of unfulfilled orders to be issued next Thursday is expected to have a bearing on the many bearish influences which have been incentive for putting out short lines of stocks since the covering occurred about the middle of last month.

Outside of the speculative element there is no indication of uneasiness about the market outlook and the statement is made about steady accumulation of many stocks by important interests. It is again stated that the United States Steel common is being steadily taken from the street and reference is made to the manner in which that stock acted last week as indicating that the floating supply has grown extremely small.

Some of those who have matched the trading, but who have had little to say, refer to the action of Sears, Roebuck and Atlantic Gulf & West Indies as indicating that the short position in the market has become over-crowded and they look for urgent covering of shorts in many of the active stocks during the coming week.

American Hide & Leather preferred, which has been in urgent demand in the loan crowd for some days, is also spoken of as a stock in which covering of shorts may make a substantial change in its market position. Similar statements are made in regard to Crucible Steel and Baldwin Locomotive.

There is a ray of hope transmitted in the easier situation in the call money market. On Saturday, a moderate amount of money being left unloaned at the end of the day. This was attributed to the reappearance of out-of-town money in large volume.

Better Outlook in Bonds While the market for bonds last week

was one of declining prices, as a whole, throughout the list, there is a feeling, the best market circles that within a reasonably short time, unless there be further offerings of securities, a decided turn for the better will take place, as it is regarded as certain that the present liquidation of securities will have overcome and a better demand created than has been obtained in the face of the unusually large offerings of securities that have been made during the last couple of weeks, it is not difficult to find an explanation for the downward movement which has been under way in practically all issues.

Bond men realize that a perfectly good healthy market can easily be destroyed by too extensive offerings of new issues, and yet whenever there is any pronounced improvement in the market, they immediately follow a concerted move on the part of numerous of the large houses to flood the market with unusually large amounts of bonds, notes, etc.

When the new issue of Pennsylvania Railroad 4 1/2 per cent bonds was heavily oversubscribed, there was a feeling in the trade that this might have a tendency to turn the entire market for the better and bring about a reversal of trend in prices.

Slump in Pennsylvania 4 1/2's It subsequently developed, however, that the Pennsylvania bonds were not as well distributed as might have been desired, as within a day or so after the allotments were made there was a sharp reaction to a level below the price at which the issues was placed with the public. Eventually, these bonds, un- questionably, will experience better demand, but the opinion at the moment in the best bond market quarters is that a situation will not develop until after the bonds have become better distributed.

This week there probably will be an offering of Cible Government bonds. The bankers engaged in the transaction already have made a definite proposition to the Chilean Government which is awaiting an answer. It is understood that Chile was desirous of obtaining \$50,000,000 of new money, but the bankers are said to feel disposed only to favor her with half that amount.

This is the first South American financing that has been undertaken in this country for some time past, and while there are other South American countries that are desirous of obtaining financial accommodations here it is said that the success of the Chilean undertaking will have an important bearing on whether or not other transactions of this character will be arranged at the moment.

Numerous European governments also are said to be desirous of negotiating loans in this country, and if the success of recent foreign government issues may be accepted as a criterion, a reasonable degree of success would attend such offerings, assuming, of course, that prices were made equally as attractive as those carried by the Belgian and Denmark issues.

Pool Market for Short-Term Notes Because of the unusually high interest rates which obtained last week, the demand for short-term notes fell off considerably and prices declined to an appreciable extent in some issues, with a

generally lower level being established throughout the entire list. Naturally, when money rates stiffened, the demand for short-term notes weakened considerably, and buying immediately became eliminated as a factor in the market.

Market Opinion Hughes & Dier—Stabilization of production costs at a level which stimulates consumption, is a matter which calls for the best thought and the best effort of our people. There is much which should be done, and much which can be done, a great deal of which is already being done, and this is encouraging, far-sighted investment interests to go into the market and absorb our sound dividend and interest-paying investment securities in a volume which is, in many cases, denuding the market of the floating supply of such issues.

Careful observation indicates that matters are gradually working themselves out into better shape, that conditions are improving day by day, and that the country is getting rapidly founded on such a basis that not only will business improve and become prosperous, but also that the market for securities will sympathetically improve and that we may confidently look for a strong and buoyant market before the close of the current year.

West & Co.—As against a general opinion that a reaction should have occurred in the latter half of January, the market has held to the level established early in the month. Many professional attempts to bring about a renewal of the downward tendency have failed, and there was a sharp reaction to a level below the price at which the issues was placed with the public. Eventually, these bonds, un- questionably, will experience better demand, but the opinion at the moment in the best bond market quarters is that a situation will not develop until after the bonds have become better distributed.

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New York Bonds

Table listing various New York Bonds with columns for Bond Name, Price, and Yield. Includes titles like 'U.S. Gov. Bonds', 'City of New York', 'Municipal Bonds', etc.

Financial Briefs

The average price of twenty active Treasury stocks gained 31 per cent, to 75.07, Saturday, while twenty railroad advanced 34 per cent, to 74.90.

In the last year the Federal Reserve Bank has reported a substantial increase in the amount of loans advanced on the basis of securities by government war obligations. On January 27, 1920, the amount of such loans was \$1,018,000,000, as compared with \$1,484,000,000 on January 2, 1920, a decrease of \$466,000,000.

The Columbia club announces that it is prepared to redeem its mortgage bonds as provided in the mortgage, and requests holders thereof to send their names, addresses and invite tenders of said bonds for redemption.

Great Britain reduced her national debt by \$1,235,000,000 in 1920. The British debt outstanding on December 31, 1920, was \$10,250,000,000, compared with total debt of \$10,250,000,000 at close of 1919. Less than one-sixth of the British debt, or \$1,417,000,000, is owed to foreign countries, principally to the United States.

New financing of the Invisibile Oil Corporation will be effected on the basis of a new issue of \$2,000,000 of 7 per cent convertible bonds. The balance of the \$2,000,000 will be used to meet the 7 per cent note issue, which matures on February 1, 1921, and the balance as additional working capital.

Announcement by the New York Stock Exchange Clearing House Corporation that it would be handling Liberty Bonds on a commission basis, a considerable interest in financial circles, as it will mean elimination of much of the commission on Liberty bonds, and the danger of robbers.

The annual report of the F. W. Woolworth Co. for the year ended December 31, 1920, shows a net profit of \$1,192,000, or 13.5 per cent on the common stock. This compares with surplus of \$1,064,425, or 11.71, on the output of \$9,000,000 common stock in the previous year.

Though current earnings are running at a low rate, American Smelting's net income for the year ended December 31, 1920, was \$1,727,250, equal to 11.92 per cent on the common stock. This compares with surplus of \$1,064,425, or 11.71, on the output of \$9,000,000 common stock in the previous year.

Hecker & Co.—We have had enough bad news of all sorts last week which, with 5 per cent and 0 per cent money, would have caused a serious decline had it not been that many stocks are selling below value. Notwithstanding the extreme pressure and pounding the market has been subjected to since Monday, prices of active stocks are very little off from the closing of that day, indicating by the slight progress under extremely bearish conditions the natural inference would be that easier money and a rise in bond values would cause a substantial rally.

Net earnings of the Chicago, Milwaukee and St. Paul Railroad for 1920 are estimated at approximately \$5,000,000, or the equivalent of about \$4.74 a share, below value. This estimate is based on federal computation for eight months and earnings under private management for four months.

HARDWARE MEN OPEN CONVENTION

Four-Day Session to Advance Interests of Trade Starts at Hotel Here

Hardware interests are being considered at the convention of the Pennsylvania and Atlantic Seaboard Hardware Association, in session for four days, starting today, at the Bellevue-Stratford. The exhibit of every line of merchandise handled by the hardware trade will be an important feature of the convention.

Mayor Moore will make his address of welcome to delegates in the Rose Room of the Bellevue-Stratford this evening. Henry C. Snowden, Jr., of Millis, Pa., resident of the organization, will outline the object of the convention. Beginning tomorrow, the rest of the sessions will be held at the Commercial Hotel, 12th and Market streets.

Colonel Sheldon Potter, president of the Chelton Trust Co., will speak at the Thursday morning meeting on "Financial Conditions." He will be followed by P. H. Hayes, director of the National Retail Hardware Association, who will talk on "Excess Profits," and Sharon E. Jones, Pittsburgh, secretary of the organization, whose address will be "Your Best Investment."

The exhibition will be the largest of its kind held by the association. More than 400 exhibits will be shown by wholesale hardware dealers from many sections of the country. The Simmons Hardware Co. has over its booth a huge spread eagle with flapping wings made of knives. The largest exhibit is that of the Supple-Biddle Co., which comprises fifty-four booths. Each variety of wares is given an individual compartment. The bicycle booth will be devoted to races by professional speeders. It also has an electric fountain set in ferns and shrubbery, a miniature of the one in Logan Square. Over the display hangs a large ball made of tiny mirrors, which is revolved by an electric motor. It is an arrangement that at night four searchlights can be trained on it from different parts of the building. Scattered among the display of hunting equipment are a number of stuffed fowls, rabbits and chipmunks.

Laplaid Brings \$3,200,000 in Gold New York, Feb. 7.—The White Star liner Laplaid arrived with \$3,200,000 in gold bars consigned to Kuhn, Loeb & Co.

Scattered Liquidation Causes Irregularity—Oil Group on Mend London, Feb. 7.—There was scattered liquidation of securities on the stock exchange today, and the market was irregular. Trading remained dull. Stock prices in the oil department proceeded cautiously, but the group of 1920 dividend-paying stocks was 5-16 and Mexican Eagle 5/8.

March 1920 Close Open High Low 1920 1921 1922 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950 1951 1952 1953 1954 1955 1956 1957 1958 1959 1960 1961 1962 1963 1964 1965 1966 1967 1968 1969 1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050 2051 2052 2053 2054 2055 2056 2057 2058 2059 2060 2061 2062 2063 2064 2065 2066 2067 2068 2069 2070 2071 2072 2073 2074 2075 2076 2077 2078 2079 2080 2081 2082 2083 2084 2085 2086 2087 2088 2089 2090 2091 2092 2093 2094 2095 2096 2097 2098 2099 2100

800 DISLOYAL TEACHERS IN U. S., SAYS LEGIONARY Investigator Declares 2000 of Them Are in Colleges and Universities Washington, Feb. 7.—(By A. P.)—There are 8000 disloyal teachers in educational institutions in the United States who must be removed, Henry J. Ryan, of Boston, chairman of the American Legion's committee of the American Legion, declared today at a meeting here of the Legion's executive committee. He estimated that 2000 of these were in colleges and universities.

Mr. Ryan said, "It is useless, Mr. Ryan said, while school children and college and university students are being taught by disloyal instructors." Mr. Ryan announced that a meeting of representatives of all organizations doing Americanization work would be held in Washington, March 15, for the purpose of consolidating all such work. The organizations to be represented will be the American Federation of Labor, the Knights of Columbus, the Y. M. C. A., the U. S. W. C. A., the National Security League, the Masons, the Elks, the Woman's Roosevelt Memorial Association, the Red Cross and the Salvation Army.

The executive committee will consider the offer of the Knights of Columbus to give \$5,000,000 for the erection of a national monument to the men who lost their lives in the late war to be erected in Washington. Some members are understood to be opposed to the acceptance of the donation because of a clause in the offer which provides for joint control with the Knights of Columbus as being against the policies of the American Legion.

MATZENAUER TO SING Opera Star Will Aid Fund for Children's Hospital Mrs. Margaret Matzenauer will give a recital at 3 o'clock this afternoon at the Academy of Music, Broad and Locust streets, for the benefit of the children's Homeopathic Hospital, Franklin and Thompson streets. The recital will be held under the auspices of the Women's Association.

Mr. Matzenauer is considered to be one of the world's greatest contraltos. Her last appearance in this city was in the role of Isolde, in "Tristan and Isolde" at the Academy of Music, January 18.

Liverpool Cotton Liverpool, Feb. 7.—There was only a fair demand for spot cotton today with prices irregular on the basis of an advance of 8 points for middling at 8.40. The sales were 8000 bales. The market was quiet, including 700 bales American. Futures were quiet in the early dealings. Spot prices were: American, middling fair, 80.60; good middling, 81.40; fully middling, 82.40; middling, 83.40; low middling, 72.80; good ordinary, 67.80, and ordinary, 47.80.

Shrinkage in State Funds Harrisburg, Feb. 7.—The statement of the treasury department of the commonwealth of Pennsylvania shows the total on hand January 31, 1921, exclusive of money appropriated to the sinking fund, to be \$136,888,888, against \$131,693,000 on January 31, 1920. The total amount of \$5,195,888, Philadelphia institutions held \$288,888 January 31, an increase of \$1,191,888 January 31, 1920.

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